

ADVANCEMENT OPPORTUNITIES AND JOB ENGAGEMENT: MODERATING EFFECTS OF WORKER REPLATIONSHIP

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ABSTRACT

Many scholars have studied the antecedents of job engagement from different points of view. From the perspective of Strategic human resource management (SHRM), the factors that significantly affect employee's job engagement can be compensation system, employees' motivation, training and learning, job security, job attractiveness and advancement opportunities. In this paper, we investigate the effects of advancement opportunities on employees' job engagement using the employee survey data from We also explored the possibility that coworker relationships, defined by the relationship with colleagues and management, respectively could play a role in strengthening the effect of promotion opportunities on employee job engagement. The results show that employees' perception of promotion opportunities is positively related to job engagement and co-worker relationships and management support play moderating roles in strengthening the supposed relationship.

KEYWORDS: Advancement Opportunities, Job Engagement, Coworker Relationship & Management Relationship

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INTRODUCTION

Employees who are engaged in their jobs - those who are enthusiastic and involved in their day-to-day work – tend to identify personally with the job, are motivated by the work itself (Harter, Schmidt, and Hayes, 2002). Job engagement is also highly related to organizational commitment, defined as an individual's identification with the organization's goals and values, willingness to exert effort for the organization (Kleiner, 1990). All else being equal, employee who are engaged in their jobs tend to be committed to their organizations, and vice versa. In this vein, one important question to employers concerning with the job engagement is what makes employees to be engaged in their job and why some people are more engaged in their job than others. The impact of human resource management (HRM) policies and practices on employees' job engagement and firm performance is an important topic in the fields of human resource management, industrial relations, and industrial and organizational psychology (Boudreau, 1991; Jones & Wright, 1992; Kleiner, 1990). In this study, we cover three main questions; (what does job engagement means, why employees' job engagement does matter to employers and what can be done to improve employees' job engagement.

LITERATURE REVIEW AND HYPOTHESES

A stronger theoretical rationale for explaining employee engagement can be found in social exchange theory (SET). SET argues that obligations are generated through a series of interactions between parties who are in a state of reciprocal interdependence. A basic tenet of SET is that relationships evolve over time into trusting, loyal, and mutual commitments as long as the parties abide by certain "rules" of exchange

(Cropanzano and Mitchell, 2005). Rules of exchange usually involve reciprocity or repayment rules such that the actions of one party lead to a response or actions by the other party. For example, when individuals receive economic and socio-emotional resources from their organization, they feel obliged to respond in kind and repay the organization (Cropanzano and Mitchell, 2005). This is consistent with Robinson et al. (2004)'s description of engagement as a two-way relationship between the employer and employee. One way for individuals to repay their organization is through their level of engagement. That is, employees will choose to engage themselves to varying degrees and in response to the resources they receive from their organization. Bringing oneself more fully into one's work roles and devoting greater amounts of cognitive, emotional, and physical resources is a very profound way for individuals to respond to an organization's actions. It is more difficult for employees to vary their levels of job performance given that performance is often evaluated and used as the basis for compensation and other administrative decisions. Thus, employees are more likely to exchange their engagement for resources and benefits provided by their organization (Cropanzano and Mitchell, 2005). In summary, SET provides a theoretical foundation to explain why employees choose to become more or less engaged in their work and organization. Perceptions of a number of attributes of organizations and jobs are reliably correlated with job engagement.

There are many factors that drive employees' job engagement. One potential factor that has not been paid attention to is the advancement opportunities. Advancement opportunities are the amount of potential for movement to higher levels within the organization (Price and Mueller, 1981; Steers, 1977). Advancement opportunities also emphasize opportunities for employees to learn and enhance career development for the future. To some extent, it could be because people have understood the signals that many companies have been sending that employees cannot count on companies to provide job stability and that individuals need to look out for their own future employability. The better employees perceive their longer-term career development, the more engaged they will be in their work today. Training has been linked to improve self-esteem, reduce turnover, better product and service consistency, greater ability to meet the needs of a target market, improve attitude, more teamwork, greater job satisfaction and greater organizational commitment (Wesley & Skip, 1999). Prior studies argue that training is related to factors including increased employee job satisfaction and the length of employment (Conrade & Woods, 1994; Marvin, 1994; Wesely & Skip, 1999). In sum, advancement opportunities will be positively associated with employee's job engagement because of the expansion of skills, personal ranges of competence and opportunities for training and development.

Hypothesis 1: Advancement Opportunities have the positive relationship with employees' job engagement.

Building on the work of Carstensen (1992, 1995), the importance of social aspects of work life such as relationships with management and colleagues has been paid attention to. Socio-emotional selectivity theory posits that aging shifts the motive for social interaction away from gaining resources and toward the receiving of affective rewards (Wesely & Skip, 1999). Social interactions are important to employees for different reasons: for information exchange, for strong emotional relationships. As a consequence, good relationship with people in the workplace and good relationship with supervisors might be of special value in order to follow their knowledge objective and to achieve promotion since advancement often depends on senior management decisions (Kanfer & Ackerman, 2004). Therefore, we expect the good relationships with colleagues will be important for job engagement while good relationships with management might also be important for employees owing to their instrumental value and usefulness for future career development.

Hypothesis 2: Employees' good relationships with management have a positive relationship for employees' job engagement.

Hypothesis 3: *Employees' good relationships with colleagues have a positive relationship for employees' job engagement.*

Hypothesis 4: *The positive relationship between advancement opportunities and employees' job engagement will be moderated by the employees' relationship with management.*

Hypothesis 5: *The positive relationship between advancement opportunities and employees' job engagement will be moderated by the employees' relationship with colleagues.*

METHODS AND RESULTS

Data was collected from one manufacturing company in 2010 in South Korea. Employee survey data contain several job characteristics from which we can integrate our aspects; advancement opportunities, job engagement, relationship with colleagues and relationship with management.

Advancement Opportunities is a central independent variable. Advancement opportunities is asked with the following six questions: My supervisor has helped me to understand what my role is in furthering my career, the company has done a good job of providing the training I've needed to do my job well, I am given the chance to learn new skills, I have enough say in my own career development, I believe I can achieve my career goals in Southeast, Southeast does a good job of providing opportunities for career development. Responses categories range from 1 (strongly disagree) to 5 (strongly agree).

Relationship with colleagues and relationship with management are the mediators of the relationship between job advancement opportunities and employees' job engagement. Relationship with colleagues is asked with the following four questions: The people in my work group cooperate well with each other, The morale in my work group is currently good, there are usually enough qualified employees to handle the work load in my work group, Work groups in my organization cooperate with one another to meet a shared goal. Responses categories range from 1 (strongly disagree) to 5 (strongly agree). Relationship with management is asked with the following 5 questions: I believe that information from management is often clear, I am treated with dignity and respect, Management clearly states what it values, Management shows real interest in the well-being of employees, Management feels committed to employees as more than "just people who do the work". Responses categories range from 1 (strongly disagree) to 5 (strongly agree).

Our dependent variable is job engagement, which was ask directly with the following questions: I feel very close to the company which would be difficult for me to break, Employees here feel a commitment to the company as that "just a place to work" and I would recommend the company to others as a good place to work. Responses categories range from 1 (strongly disagree) to 5 (strongly agree).

Table 1 is the factor analysis of the advancement opportunities, relationship with management, relationship with colleagues and job engagement. The Cronbach Alpha for each construct is (0.872, 0.829, 0.735, 0.744) respectively. In social science studies, it can be say that the reliability of the measure is quite high when the value of Cronbach Alpha for the construct is over 0.6. So, it is ensured that the reliability of my construct is high because all of the construct is over 0.735. As controls, we use gender (1=male, 2=female), tenure in the current job and racial background (1=American Indian or Alaskan Native, 2=Asian or Pacific Islander, 3=Black not of Hispanic origin, 4=Hispanic, 5=Whie not of Hispanic origin, 6=other).

Table 1: Factor Analysis

	Component				
	1	2	3	4	Alpha
Advancement Opportunities					
1.Company does a good job of providing opportunities for career development	.767	.212	.106	.196	0.872
2.I am given the chance to learn new skills	.765	.164	.156	.104	
3.I have enough say in my own career development	.754	.276	.173	.052	
4.I believe I can achieve my career goals in the company	.695	.215	.162	.233	
5.The company has done a good job of providing the training I’ve needed to do my job well	.677	.155	.083	.119	
6.My supervisor has helped me to understand what my role is in furthering my career	.635	.305	.241	.047	
Relation with Management					
1.Management clearly states what it values	.189	.762	.195	.063	0.829
2.Management shows real interest in the well-being of employees	.271	.752	.211	.116	
3.I believe that information from management is often clear	.199	.746	.094	.107	
4. Management feels committed to employees as more than “just people who do the work”.	.318	.588	.131	.377	
5.I am treated with dignity and respect	.276	.579	.192	.166	
Relationship with Colleagues					
1.The people in my work group cooperate well with each other	.042	.047	.828	.059	0.735
2.The morale in my work group is currently good	.247	.313	.735	.142	
3.Work groups in my organization cooperate with one another to meet a shared goal	.153	.289	.709	.141	
4. There are usually enough qualified employees to handle the work load in my work group	.271	.093	.451	.075	
Job Engagement					
1.I feel very close ties to the company which would be difficult for me to break	.124	.069	.073	.859	0.744
2.Employees here feel a commitment to company as that “just a place to work”	.139	.206	.164	.816	
3.I would recommend Southeast to others as a good place to work (JOB8)	.419	.293	.167	.521	
Eigenvalue	3.78	3.02	2.29	2.046	
Proportion of variance accounted for	21.0	16.7	12.7	11.3	

In order to test the hypothesized relationships for the relationship with advancement opportunities and employees' job engagement, a standard regression analysis is applied using ordinary least squares estimation. As shown in Table 2, advancement opportunities (0.254, $p < 0.001$), relationship with colleagues (0.338, $p < 0.001$) and relationship with management (0.321, $p < 0.001$) were significant. These results provide support for H1, H2 and H3.

Table 2 is the result for the interaction of advancement opportunities and relationship with colleagues, and the interaction of advancement and relationship with management on employees' job engagement. Although the effect of advancement opportunities and relationship with management (0.006, $p < 0.01$) was significant on the employees' job engagement, the effect of advancement opportunities and the relationship with colleagues was not significant. It can be

translated that when the employees' relationship with management is good, advancement opportunities will effect more on the employees' job engagement. But the relationship with colleagues is not important on the relationship between advancement opportunities and employees' job engagement. If the advancement opportunities effect the employees' job engagement equally, the relationship with management will be more important than the relationship with colleagues. As the advancement opportunities is the employees' desire to be promoted and getting the authority in the firm, so, it is natural that the relationship with management is more important. The reason why employees don't think the relationship with colleagues in not important can be translated that employee thinks their colleagues as rivals in the situation of promotion and skill development. Only H4 is supported.

Table 2: Regression Results for Job Engagement

	Model 1		Model 2		Model 3		Model 4	
Constant	4.405	.484	4.585	.511	3.538	.495	2.479	.503
Tenure	-.315***	.046	-.261***	.048	-.252***	.046	-.264***	.046
Sex	.242	.202	.213	.212	.239	.202	.173	.201
Race	-.097	.065	-.009	.067	-.026	.065	-.056	.064
Advancement Opportunities	.254***	.012					.139***	.016
Relationship with colleagues			.338***	.020			.104***	.023
rels with mgt					.321***	.015	.167***	.020
Advancement *co-worker rels							.003	.003
Advancement *mgtrels							.006*	.002
Adjusted R2	0.257		0.188		0.274		0.326	
F-value	120.12***		82.208***		130.89***		104.74***	
N	1376		1408		1379		1289	

Note: *p < 0.05, **p < 0.01, ***p < 0.001, two-tailed test

CONCLUSIONS

We considered that not only the advancement opportunities is important for the employees' job engagement but also the fit which is the relationship with colleagues and the relationship with management will be also important to the employees' job engagement.

In this studies, we used the advancement opportunities as the main effect on employees' job engagement according to the social exchange theory (SET). Although the variables of relationship with colleagues and relationship with management is important factor for employees' job engagement, we used them as a moderator in the studies. Because the person-fit and organization-fit will become important if the other basic factors like, advancement opportunities are satisfied. According to the result that the relationship within the firm are more important than what we are thinking, especially with the management. As the advancement opportunities is the employees' desire to be promoted and getting the authority in the firm, so, it is natural that the relationship with management is more important. The reason why employees don't think the relationship with colleagues in not important can be translated that employee thinks their colleagues as rivals in the situation of promotion and skill development.

For employees, to learn and enhance career development is as important as job security in these days and for future. This may be because people have understood the signals that many companies have been sending that employees cannot count on companies to provide job stability and that individuals need to look out for their own future employability. Through this studies, we can confirm again that advancement opportunities are really important. The better employee feel

about their longer-term career development, the more engaged they will be in their work today.

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